

March 26, 2014

Mr. Company Contact
Company
Address
City, State, Zip Code

RE: Southern Powder River Basin 2013 Emissions Inventory Request

Dear Company Contact;

For the past several years the Wyoming Department of Environmental Quality (DEQ), Air Quality Division (AQD) has been tracking the development of the oil and gas industry in eastern Wyoming. Over the past two years there has been a substantial increase in the number of AQD permits issued for new wells producing primarily from the Niobrara Oil Shale reservoir. During calendar years 2012 and 2013 the AQD issued 173 and 240 new permits, respectively, just in Converse County. Based on data from the Wyoming Oil and Gas Conservation Commission (WOGCC) the number of producing non-coal bed methane wells in Converse County has increased by 17% over the past four (4) years, while oil production over the same period has increased by more than 270%. Similar increases can be seen in southern Campbell County and the southeast corner of Johnson County. Along with the increased number of new wells and additional oil production comes a correspondingly increase in air emissions from sources associated with exploration, production, and transportation activities.

Due to the rapid development of the oil & gas industry in the eastern part of Wyoming, and in accordance with the powers of the administrators of the divisions in Section §35-11-110(a)(vii)(E) of the Wyoming Environmental Quality Act (the Act), the AQD is requesting a 2013 emissions inventory. Collectively known as the Southern Powder River Basin Emissions Inventory (SPRB EI), all oil and gas related minor sources including, but not limited to, production sites, tank batteries, bulk facilities, and compressor stations in any of the following locations are required to complete the 2013 emissions inventory: 1) Any facility or source located within Converse County; 2) Any facility or source located in southern Campbell County within Townships 41 North, 42 North, or 43 North; 3) Any facility or source located in southeastern Johnson County or northeastern Natrona County within Township 41 North through Township 43 North, and within Range 76 West through Range 80 West (a map is attached). The 2013 inventory will cover all exploration and production operations from January 1, 2013 through December 31, 2013. ***The completed 2013 inventory shall be returned to AQD no later than July 31st, 2014, using forms provided by the AQD.***

The AQD is requesting detailed equipment information along with location and production information. Since the inventory data can be used in modeling analysis, location information is required on an individual well basis. Therefore the API number, latitude/longitude coordinates, and emissions are required to be submitted for each and every well. **Every well within the above described inventory area must be listed on a separate line in the excel workbooks.**

There is a different excel workbook for each type of facility. Currently there are three separate workbooks. There is a workbook for compressor stations, gas transmission lines, and bulk tank (or other) facilities; a second workbook for ***production sites only***; and a third workbook for ***drill rigs only***. Daily fuel usage rates must add up to the reported monthly total in the drill rig workbook. These workbooks are set up to determine emissions in pounds per hour (lb/hr). Hours of operation will need to be entered for each unit with a maximum of 8,760 hours for the annual inventory (365 days). Based on the operating hours and the lb/hr emission rate, total tons of emissions for the inventory period will be calculated.

All workbooks are in Microsoft Excel 2007 and include a map of the inventory area. Do not save the workbooks in any earlier version as that will cause data to be lost and require that the inventory be completed again. The workbooks can be downloaded from AQD's website at the following location: <http://deq.state.wy.us/aqd/ei.asp>, and then by selecting the Converse County Emission Inventory.

Inventories will consist of emissions from all sectors of the oil and gas industry including:

1. Non-road mobile (well pad and road construction);
2. On-road mobile (liquid haul trucks and operator vehicles);
3. Drill rigs;
4. Completions and Workovers (including emissions from engines used for hydraulic fracturing);
5. Well production {water, condensate, and black oil tanks; dehydration units; all heaters (separator, dehydration unit reboilers, line heaters and tank heaters); pneumatic equipment; fugitives; and wellhead engines};
6. Compressor stations (emissions from all equipment at the compressor station);
7. Pipeline stations and tank batteries;
8. Line venting (flow lines, liquids gathering systems, large transmissions lines, pigging operations);
9. Well venting and blowdowns;
10. Truck loading (loading of water, condensate and black oil into haul trucks); and
11. Control devices.

Please follow the instructions in the workbooks and upload the completed emissions inventories to the DEQ web server at: <https://deq.state.wy.us/AQDFileUploads/LoginUser.aspx>. If you have trouble uploading the inventories, please contact Mr. Brett Davis, Emissions Inventory Program Principal, at 307-777-3366, or by e-mail at brett.davis@wyo.gov.

Should you have any questions or comments concerning this request, please contact Mr. Davis or Mr. Brian Bohlmann, Emissions Inventory Supervisor, at 307-777-6993, or by e-mail at brian.bohlmann@wyo.gov. If the company contact listed above is incorrect, please forward the inventory request to the appropriate person and then provide the corrected information to Mr. Davis or Mr. Bohlmann. Additionally, if your company received this letter and does not have any operations in the inventory area listed, please let us know so we can update our contacts list.

Sincerely,

Steven A. Dietrich
Administrator
Air Quality Division

SAD/brb
Attachment

cc: Darla Potter, AQRM Program Manager
Brian Bohlmann, P.E., Emissions Inventory Supervisor
Brett Davis, Emissions Inventory Program Principal
Chris Hanify, District Engineer – District 2
Tanner Shatto, District Engineer – District 3